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SUBSTANTIVE QUESTIONS

Status of Development Forum

Report of the Secretary-General

1. In paragraph 5 of its resolution 48/44 B of 10 December 1993, the General Assembly encouraged the Secretary-General to suggest ways and means to revive Development Forum, which had continued to receive a mandate of the Assembly, and to report thereon to the Committee on Information at its sixteenth substantive session.

2. Development Forum was launched in 1972 and initially funded by grants from a trust fund created by donations from Member States. In 1978, a companion publication sold by subscription and entitled Development Business was introduced to serve a number of objectives, key among which were: dissemination of multilateral bank procurement information to subscribing companies; informing the international business community about United Nations efforts in the fields of economic and social development; and, with surplus subscription revenue, subsidizing the cost of Development Forum. By the late 1970s, government contributions to the trust fund had fallen off significantly, and income from Development Business proved insufficient to support the combined operation. As a result, in 1979, within the context of the Joint United Nations Information Committee (JUNIC), a number of United Nations bodies and specialized agencies stepped in to fund the publication, which became a JUNIC project. The United Nations University (UNU) agreed to become the co-publisher and to assume a major share of publication costs. In 1980, UNU contributed $200,000, representing some 24 per cent of the publication's expenditures for the year. The General Assembly approved an annual subvention of $200,000 for the publication for 1980.

3. In the 1980s, lacking a basis for sustained financing, Development Forum remained on a precarious footing, as contributions from United Nations bodies, specialized agencies and Governments declined steadily. Major contributors reduced their support, while others ceased to contribute entirely. In May 1988,

for example, the contribution of UNU dropped to $10,000, compared to payments ranging from $100,000 to $200,000 from 1980 to 1987. The contribution of the United Nations Development Programme fell from a high of $100,000 in 1987 to zero in 1988. The United Nations Population Fund, a strong supporter, with $80,000 a year in contributions from 1980 to 1985, thereafter reduced its support substantially. In 1992, contributions from United Nations bodies and specialized agencies covered an all-time low of 19 per cent of Development Forum expenditures, compared to a high of 56 per cent.

4. Overall, for the period from 1980 to 1992, United Nations bodies, specialized agencies and Governments accounted for 41 per cent of contributions to Development Forum; the General Assembly subvention accounted for 32 per cent; Development Business, 22 per cent; government contributions, 4 per cent; and subscriptions to Development Forum, 1 per cent. From 1982 until 1992, Development Forum relied on revenues from Development Business to help compensate for ongoing budget deficits.

5. In the face of rising costs, due strictly to inflation, and declining income in the 1980s, Development Forum made dramatic programme cuts. These included reducing the number of yearly editions from 10 to 9 in 1986 and to 6 in 1988, moving the operation from Geneva to New York in 1984 and cutting the number of free subscriptions in all three language editions by 50 per cent. Income-generating attempts included asking readers to pay for their subscriptions, requesting increased financial support from the members of JUNIC and cutting back on the expenditures of Development Business. The latter action increased the amount of money from Development Business available to Development Forum but required cuts in the staff expenditure of the business edition, as well as in marketing and equipment expenditure, having an adverse effect on the publication in terms of its ability to generate revenue and acquire additional subscriptions.

6. In 1992, Development Forum faced a severe financial crisis, with a deficit of $360,700 projected for the end of the year, despite the $200,000 subvention from the regular budget of the United Nations. It became apparent by the middle of the year that it would not be possible to develop a plan for the sustained financing of Development Forum without increasing the subvention. Therefore, the Secretary-General decided, as an exceptional measure, to authorize an advance of $200,000 from the 1993 portion of the regular budget for the biennium 1992-1993 in order to continue the publication until the end of the year so that a performance report could be prepared for consideration by the Advisory Committee on Administrative and Budgetary Questions.

7. In the performance report, the Secretary-General commented that, since its inception, expressions of support for Development Forum had never been fully translated into assured financing on a continuing basis at a realistic level for the publication. During the intervening years the Secretariat had been able to meet the General Assembly's and United Nations system agency behests to maintain production of Development Forum (general edition) only by dint of extraordinary effort and through a variety of ad hoc measures. However, over time, the price paid was in terms of decreased periodicity and compromised quality of production (content, format, presentation and paper used), which ultimately had a

cumulative deleterious effect on the credibility and viability of the publication itself. 1/

8. The Secretary-General concluded in the same report that the dictates of financial and budgetary reality and responsibility would leave open no option but to cease production of the general edition of Development Forum as from 31 December 1992. The Secretary-General recommended the continuing publication of Development Business, which over the years had generated income in excess of expenses incurred.

9. In December 1992, the Advisory Committee on Administrative and Budgetary Questions considered the report of the Secretary-General and agreed that Development Forum should cease publication by 31 December 1992 and that the production of Development Business should continue at least until such time as its reserve account had been replenished from the excess income of the operation to the point where the reserve fully covered all contingent liability obligations. 2/

10. At its nineteenth session, in July 1993, JUNIC also considered questions related to a system-wide publication on development issues. Several members of JUNIC expressed the interest of their organizations in a new system-wide publication on development issues in the future, when concrete sources of funding could be identified. The members of JUNIC also looked into several options as a means of filling the present vacuum in the dissemination of information on economic and social development at the level of the United Nations system. In view of the lack of funding, JUNIC decided to continue its consideration of this matter.

11. To revive Development Forum in a professionally appropriate format would require guaranteed sustained funding to cover the production, including staff costs, which is not likely to become available under the current circumstances. Should the General Assembly decide to review the situation with regard to the revival of Development Forum, special consideration must be given to the financial implications.

Notes

1/ A/CN.1/R.1162 of 4 November 1992.

2/ AC/1140 of 9 December 1992.